



0000112636

BEF

ION COMMISSION  
**RECEIVED**

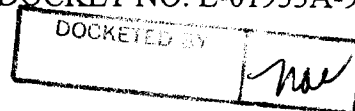
1999 JUN 28 P 2: 11

AZ CORP COMMISSION  
DOCUMENT CONTROL

Arizona Corporation Commission  
**DOCKETED**

**JUN 28 1999**

DOCKET NO. E-01933A-98-0471



DOCKET NO. E-01933A-97-0772

DOCKET NO. RE-00000-94-0165

CARL J. KUNASEK  
Chairman  
JIM IRVIN  
Commissioner  
WILLIAM A. MUNDELL  
Commissioner

IN THE MATTER OF THE APPLICATION OF )  
TUCSON ELECTRIC POWER COMPANY FOR )  
APPROVAL OF ITS STRANDED COST )  
RECOVERY AND FOR RELATED APPROVALS, )  
AUTHORIZATIONS AND WAIVERS. )  
IN THE MATTER OF THE FILING OF TUCSON )  
ELECTRIC POWER COMPANY OF )  
UNBUNDLED TARIFFS PURSUANT TO A.A.C. )  
R14-2-1602 et seq. )  
IN THE MATTER OF THE COMPETITION IN )  
THE PROVISION OF ELECTRIC SERVICES )  
THROUGHOUT THE STATE OF ARIZONA. )

**APPLICATION OF PG&E ENERGY SERVICES CORPORATION  
FOR LEAVE TO INTERVENE**

Pursuant to A.A.C. R14-3-105, PG&E Energy Services Corporation ("Applicant") hereby submits this Application For Leave To Intervene ("Application") in the above-captioned proceedings. In support of its Application, Applicant submits the following:

...

...

I.  
**IDENTIFY AND NATURE OF APPLICANT'S  
INTEREST IN THE SUBJECT PROCEEDINGS**

Applicant is a wholly owned subsidiary of PG&E Corporation, an energy based holding company headquartered in San Francisco, California. Applicant is also a nation-wide marketer of retail energy services and products; and was certificated by the Commission in its Decision Nos. 61303 and 61496 as an Electric Service Provider to provide the competitive services therein authorized in Arizona's emerging competitive retail electric market. In fact, Applicant was the first new entrant to be so certificated.

By reason of the foregoing, Applicant is directly and substantially affected by any Commission action(s) which govern or determine the terms and conditions under which competition in electric generation and other competitive services is to be introduced in the State of Arizona. The June 9, 1999 Settlement Agreement filed by Tucson Electric Power Company ("TEP"), by its very terms, contemplates and requires such action(s) and approval(s) by the Commission.

For example, Commission approval of the proposed Settlement Agreement would establish a stranded cost recovery methodology and plan for TEP, and unbundled distribution tariffs for both Standard Offer customers and those who choose Competitive Retail Access. Each of these matters has a direct and significant bearing upon the competitive conditions that will exist for prospective new entrants in TEP's currently certificated electric service areas. Similarly, TEP and the other signatory parties' request for waiver of certain Commission rules and regulations, and approval of a code of conduct governing transactions involving TEP may affect the ability of new entrants to effectively compete.

As a consequence, Applicant and its interest as a state-wide certificated Electric Service

1 Provider are directly and substantially affected by any proceedings the Commission may conduct,  
2 and any action(s) and approval(s) it may undertake or issue, in the above-captioned proceedings with  
3 reference to the June 9, 1999 Settlement Agreement and the June, 1999 Notice of Filing and  
4 Application For Approval.  
5

6 **II.**  
7 **APPLICANT'S INTERVENTION AND PARTICIPATION**  
8 **WILL NOT UNDULY BROADEN THE ISSUES**

9 The issues and matters which Applicant desires to address are presented by the provisions  
10 of the Settlement Agreement itself. Applicant does not envision that its intervention and  
11 participation will unduly broaden those issues which the Commission will be required to resolve  
12 incident to a determination as to whether the Settlement Agreement should be approved, modified  
13 or rejected.

14 **III.**  
15 **NO OTHER PARTY OR PARTICIPANT HAS INTERESTS OR**  
16 **POSITIONS SUBSTANTIALLY SIMILAR TO APPLICANT**

17 In a competitive market environment, no two competitors have substantially similar interests  
18 or positions. This is particularly true when that market environment is still in an embryonic stage,  
19 as is the situation in Arizona at present. Moreover, none of the signatory parties to the Settlement  
20 Agreement have interests and positions substantially similar to Applicant within the context of the  
21 Settlement Agreement itself. TEP's interest(s) and position(s) are those of a competitor to  
22 Applicant. The Residential Utility Consumer Office and the Arizona Community Action  
23 Association represent predominantly a residential consumer perspective. Arizonans For Electric  
24 Choice and Competitive represents predominantly an industrial and commercial consumer  
25 perspective. Only Applicant is in a posture to speak for or adequately represent its particular  
26  
27  
28

MUNGER CHADWICK, P.L.C.  
ATTORNEYS AT LAW  
NATIONAL BANK PLAZA  
333 NORTH WILMOT, SUITE 300  
TUCSON, ARIZONA 85711  
(520) 721-1900

1 interest(s) and position(s).

2 WHEREFORE, PG&E Energy Services Corporation (i) believes it has clearly satisfied the  
3 prerequisites governing intervention specified in A.A.C. R14-3-105, and (ii) hereby requests that it  
4 be allowed to intervene and fully participate in any and all proceedings conducted in the above-  
5 captioned dockets in connection with the June 9, 1999 Settlement Agreement and the June 9, 1999  
6 Notice of Filing and Application For Approval.  
7

8 DATED this 24<sup>th</sup> day of June, 1999.

9 Respectfully submitted,

10 PG&E Energy Services Corporation

11  
12 By Michael S. Green for  
13 Lawrence V. Robertson, Jr.  
14 MUNGER CHADWICK, P.L.C.  
15 National Bank Plaza  
16 333 North Wilmot, Suite 300  
17 Tucson, Arizona 85711

18 **Original and ten copies of the foregoing**  
19 **mailed this 24<sup>th</sup> day of June, 1999 to:**

20 Docket Control.  
21 ARIZONA CORPORATION COMMISSION  
22 1200 West Washington Street  
23 Phoenix, Arizona 85007  
24  
25  
26  
27  
28

Paloma Duarte

MUNGER CHADWICK, P.L.C.  
ATTORNEYS AT LAW  
NATIONAL BANK PLAZA  
333 NORTH WILMOT, SUITE 300  
TUCSON, ARIZONA 85711  
(520) 721-1900

1 **Copy of the foregoing mailed**  
2 **this 24<sup>th</sup> day of June, 1999 to:**

3 Carl J. Kunasek, Chairman  
4 Jim Irvin, Commissioner  
5 William A. Mundell, Commissioner  
6 ARIZONA CORPORATION COMMISSION  
7 1200 West Washington Street  
8 Phoenix, Arizona 85007

9 Jerry L. Rudibaugh, Chief Hearing Officer  
10 Hearing Division  
11 ARIZONA CORPORATION COMMISSION  
12 1200 West Washington Street  
13 Phoenix, Arizona 85007

14 Paul Bullis, Chief Counsel  
15 Legal Division  
16 ARIZONA CORPORATION COMMISSION  
17 1200 West Washington Street  
18 Phoenix, Arizona 85007

19 Ray Williamson, Acting Director  
20 Utilities Division  
21 ARIZONA CORPORATION COMMISSION  
22 1200 West Washington Street  
23 Phoenix, Arizona 85007

24 Bradley S. Carroll  
25 Counsel, Regulatory Affairs  
26 Legal Department - DB203  
27 TUCSON ELECTRIC POWER COMPANY  
28 220 West Sixth Street - P.O. Box 711  
Tucson, Arizona 85702

Douglas A. Oglesby  
Vice President and General Counsel  
PG&E Energy Services  
345 California Street, Suite 3200  
San Francisco, CA 94111

Paloma Duarte